

## **MINUTES**

### **MONTANA SENATE 64th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON FINANCE AND CLAIMS**

**Call to Order:** Chair Llew Jones, on February 23, 2015 at 10:00 A.M., in Room 317 Capitol

#### **ROLL CALL**

##### **Members Present:**

Sen. Llew Jones, Chair (R)  
Sen. Bob Keenan, Vice Chair (R)  
Sen. John Brenden (R)  
Sen. Mary Caferro (D)  
Sen. Bradley Hamlett (D)  
Sen. Kris Hansen (R)  
Sen. David Howard (R)  
Sen. Jim Keane (D)  
Sen. Frederick (Eric) Moore (R)  
Sen. Mike Phillips (D)  
Sen. Rick Ripley (R)  
Sen. Matthew M. Rosendale Sr (R)  
Sen. Jon C. Sesso (D)  
Sen. Cary Smith (R)  
Sen. Janna Taylor (R)  
Sen. Roger Webb (R)  
Sen. Jonathan Windy Boy (D)  
Sen. Cynthia Wolken (D)

##### **Members Excused:**

Sen. Mark Blasdel (R)

**Members Absent:** None

**Staff Present:** Prudence Gildroy, Committee Secretary  
Julie Johnson, Legislative Branch  
Jon Moe, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

##### **Committee Business Summary:**

Hearing & Date Posted: SB 269, 2/21/2015; HB 166, 2/21/2015; SB 261, 2/21/2015; SB 376, 2/19/2015; SB 12, 2/21/2015; SB 252, 2/19/2015; SB 260, 2/19/2015

Executive Action: SB 269 Do Pass; HB 166 Be Concurred In; SB 261 Do Pass; SB 252 Do Pass; SB 324 Be Tabled; SB 367 Do Pass

00:04:26 Jon Moe, Legislative Fiscal Division (LFD)  
00:04:41 Chair Jones  
00:05:18 Sen. Keane  
00:05:28 Chair Jones  
00:06:02 Sen. Moore

**HEARING ON SB 269**

**Opening Statement by Sponsor:**

00:06:50 Sen. Duane Ankney (R), SD 20, opened the hearing on SB 269, Revise individual income tax audit and collection laws.

**Proponents' Testimony:** None

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:07:53 Sen. Phillips  
00:08:13 Sen. Ankney

**Closing by Sponsor:**

00:09:03 Sen. Ankney

**EXECUTIVE ACTION ON SB 269**

00:09:16 **Motion/Vote:** Sen. Keenan moved that **SB 269 DO PASS**. Motion carried 18-0 by voice vote. Sen. Blasdel was excused.

**HEARING ON HB 166**

**Opening Statement by Sponsor:**

00:09:52 Rep. Keith Regier (R), HD 4, opened the hearing on HB 166, Lower state individual income tax rates.

[\*\*EXHIBIT\(fcs41a01\)\*\*](#)

**Proponents' Testimony:** None

**Opponents' Testimony:**

00:12:02 Mike Kadas, director, Department of Revenue (DOR)  
00:14:26 Heather O'Loughlin, Montana Budget and Policy Center (MBPC)  
00:15:20 Marco Ferro, MEA-MFT

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:15:47 Sen. Windy Boy  
00:16:23 Rep. Regier

**Closing by Sponsor:**

00:16:55 Rep. Regier

**EXECUTIVE ACTION ON HB 166**

00:17:11 **Motion:** Sen. Keenan moved that **HB 166 BE CONCURRED IN.**

**Discussion:**

00:17:21 Sen. Ripley  
00:17:49 Sen. Moore  
00:18:28 Sen. Rosendale  
00:19:02 Sen. Keane

00:19:16 **Vote:** Motion carried 12-7 by roll call vote with Sen. Caferro, Sen. Hamlett, Sen. Keane, Sen. Phillips, Sen. Sesso, Sen. Windy Boy and Sen. Wolken voting no. Sen. Blasdel voted by proxy. Sen. Jones will carry the bill.

**HEARING ON SB 261**

**Opening Statement by Sponsor:**

00:20:38 Sen. Bradley Hamlett (D), SD 15, opened the hearing on SB 261, Montana sage grouse stewardship act.

**Proponents' Testimony:**

00:21:45 Tim Baker, Governor's Office

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

00:23:56 Sen. Hamlett

**EXECUTIVE ACTION ON SB 261**

00:24:29 **Motion/Vote:** Sen. Hamlett moved that **SB 261 DO PASS.** Motion carried 16-2 by voice vote with Sen. Brenden and Sen. C. Smith voting no. Sen. Blasdel was excused.

00:25:46 Sen. Brenden

00:25:50 Chair Jones

**HEARING ON SB 376**

**Opening Statement by Sponsor:**

00:27:07 Sen. John Brenden (R), SD 17, opened the hearing on SB 376, Revise laws regarding state agency use of recovered indirect costs.

**Proponents' Testimony:** None

**Opponents' Testimony:**

00:28:05 Dan Villa, budget director, Office of Budget and Program Planning (OBPP)

**Informational Testimony:** None

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

00:29:25 Sen. Brenden

**HEARING ON SB 12**

**Opening Statement by Sponsor:**

00:29:58 Sen. Mary Sheehy Moe (D), SD 12, opened the hearing on SB 12, Provide ANB funding for 19 year olds.

**Proponents' Testimony:**

00:31:42 Denise Juneau, superintendent, Office of Public Instruction

00:31:55 Jim Molloy, Governor's Office (GOV)

00:32:10 Marco Ferro, MEA-MFT

00:32:18 Tammy Lacey, superintendent, Great Falls Public Schools (GFPS)

00:34:28 Jan Cahill, Board of Trustees, Great Falls

**Opponents' Testimony:**

00:34:54 Dave Puyear, Montana Rural Education Association (MREA)

**Informational Testimony:**

00:36:44 Madalyn Quinlan, Office of Public Instruction (OPI)

00:37:26 Nancy Hall, Office of Budget and Program Planning (OBPP)

**Questions from Committee Members and Responses:**

00:37:48 Sen. Windy Boy  
 00:38:30 Ms. Hall, OBPP  
 00:39:21 Sen. Windy Boy  
 00:39:32 Ms. Hall  
 00:40:02 Sen. Windy Boy  
 00:40:20 Sen. Sheehy Moe  
 00:40:48 Sen. Taylor  
 00:41:10 Sen. Sheehy Moe  
 00:41:48 Sen. Taylor  
 00:42:00 Sen. Sheehy Moe  
 00:42:31 Sen. Webb  
 00:43:33 Ms. Hall  
 00:44:33 Sen. Webb  
 00:44:34 Ms. Hall  
 00:44:45 Sen. Moore  
 00:45:23 Ms. Quinlan, OPI  
 00:46:23 Sen. Moore  
 00:46:37 Sen. Sheehy Moe  
 00:46:53 Sen. Hamlett  
 00:47:15 Ms. Lacey, GFPS  
 00:47:52 Sen. Hamlett  
 00:48:03 Ms. Lacey  
 00:49:29 Sen. Webb  
 00:49:50 Ms. Lacey

**Closing by Sponsor:**

00:50:02 Sen. Sheehy Moe  
 00:52:19 Vice Chair Keenan assumed the chair.  
 00:52:40 Sen. Brenden  
 00:52:58 Chair Keenan

**HEARING ON SB 252**

**Opening Statement by Sponsor:**

00:53:15 Sen. Llew Jones (R), SD 9, opened the hearing on SB 252, Revise K-12 funding laws related to oil and natural gas production taxes.

**Proponents' Testimony:**

00:55:54 Ken Morrison, representing North-East Rural Schools  
 00:56:26 Lance Melton, Montana School Boards Association  
 00:56:56 Dave Puyear, Montana Rural Education Association  
 00:57:06 Marco Ferro, MEA-MFT  
 00:57:13 Kirk Miller, School Administrators of Montana  
 00:57:24 Kelly Dey, Sidney Board of Trustees

00:57:38 Dianne Burke, Montana Quality Education Coalition  
00:57:53 Larry Crowder, superintendent of schools, Culbertson  
00:58:11 Renee Rasmussen, Bainville Public Schools

**Opponents' Testimony:** None

**Informational Testimony:**

00:58:50 Daniel Farr, superintendent of schools, Sydney Public Schools

**Questions from Committee Members and Responses:**

00:59:29 Sen. Windy Boy  
00:59:55 Sen. Jones

**Closing by Sponsor:**

01:01:38 Sen. Jones

**EXECUTIVE ACTION ON SB 252**

01:02:10 **Motion/Vote:** Sen. L. Jones moved that **SB 252 DO PASS**. Motion carried 17-1 by voice vote with Sen. Webb voting no. Sen. Blasdel was excused.

**HEARING ON SB 260**

**Opening Statement by Sponsor:**

01:03:06 Sen. Frederick (Eric) Moore (R), SD 19, opened the hearing on SB 260, Revise education funding laws related to oil and gas production taxes.

**Proponents' Testimony:**

01:04:21 Ken Morrison, representing North-East rural schools  
01:04:45 Lance Melton, Montana School Boards Association (MTSBA)

**[EXHIBIT\(fcs41a02\)](#)**

01:09:24 Kirk Miller, School Administrators of Montana (SAM)  
01:09:39 Larry Crowder, Culbertson School District  
01:09:44 Marco Ferro, MEA-MFT  
01:09:52 Dianne Burke, Montana Quality Education Coalition (MQEC)  
01:10:01 Dave Puyear, Montana Rural Education Association (MREA)  
01:10:07 Kelly Day, Sydney Public Schools  
01:10:11 Renee Rasmussen, Bainville Public Schools

**Opponents' Testimony:**

01:10:27 Jim Molloy, Governor's Office

**Informational Testimony:**

01:12:26 Nancy Hall, Office of Budget and Program Planning (OBPP)  
01:13:29 Daniel Farr, superintendent of schools, Sydney

**Questions from Committee Members and Responses:**

01:16:23 Sen. Windy Boy  
01:16:37 Chair Jones  
01:18:15 Madalyn Quinlan, Office of Public Instruction (OPI)  
01:18:27 Chair Jones  
01:18:33 Ms. Hall, OBPP  
01:19:21 Chair Jones

**Closing by Sponsor:**

01:19:59 Sen. Moore

**EXECUTIVE ACTION ON SB 324**

01:22:51 Sen. Sesso

01:23:41 **Motion:** Sen. Keenan moved that **SB 324 DO PASS.**

**Discussion:**

01:23:58 Sen. Windy Boy  
01:24:36 Chair Jones  
01:25:32 Sen. Ripley  
01:25:58 Sen. Keane  
01:26:19 Sen. Hamlett  
01:27:00 Sen. Hansen  
01:27:50 Sen. Brenden

01:29:22 **Substitute Motion/Vote:** Sen. Keane made a substitute motion that **SB 324 BE TABLED.** Substitute Motion carried 12-7 by roll call vote with Sen. Brenden, Sen. Hamlett, Sen. Hansen, Sen. Rosendale, Sen. Taylor, Sen. Webb and Sen. Windy Boy voting no. Sen. Blasdel voted by proxy.

**Discussion:**

01:31:02 Sen. Hamlett  
01:31:03 Chair Jones  
01:31:29 Sen. Hansen  
01:31:33 Chair Jones

**EXECUTIVE ACTION ON SB 367**

01:32:45     **Motion:** Sen. Taylor moved that **SB 367 DO PASS.**

**Discussion:**

01:32:54     Sen. Taylor

01:33:16     Sen. Windy Boy

01:33:28     **Vote:** Motion carried unanimously by voice vote. Sen. Blasdel voted by proxy.

01:33:58     Sen. Brenden

01:34:01     Chair Jones

01:34:09     Sen. Brenden

01:34:30     Sen. Sesso

01:35:32     Chair Jones

01:35:58     Sen. Moore



**ADJOURNMENT**

Adjournment: 11:36 p.m.

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Prudence Gildroy, Secretary

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Additional Documents:

**EXHIBIT**([fcs41aad.pdf](#))